

Committee on Resources

Full Committee

Witness Statement

U. S. House of Representatives Committee on Resources

"Funding of Environmental Initiatives and Their Influence on Federal Land Policies"

Testimony of Eric Williams, May 23, 2000

Mr. Chairman and members of the Committee: I am honored and sincerely appreciate the opportunity to testify before you today.

It's not news that there is a widespread effort to dramatically change the culture and economy of rural America. What I'd like to talk with you about today, however, is a little-discussed aspect of the strategy. The tacticians of the effort realized that while it's not particularly difficult to get the public up in arms against "polluters" and "corporate giants," another, stickier hurdle was in their way.

Real live people live out there, and the public wasn't terribly keen on displacing them. A recognized and critical part of every successful battle strategy had to be employed. The rural residents had to be demonized. If the general public viewed the folks who live in the hinterlands of Idaho and Nevada as romantic and healthy ties to our heritage, Necessary Change would be extremely difficult. Yet if they could, collectively and stereotypically, be cast as Overpaid, Undereducated Social Misfits who hate Mother Earth, then Necessary Change would certainly follow.

Wise Up to Wise Use

I always cringe when people from the rural West tell the rest of us how to live. There's an arrogance to their pronouncements, a foolhardy pretension that they are real and the 95 percent of us who live in western cities don't matter. Hal Rothman, Writers on the Range, Spring 2000.

In April 1998, I attended a conference titled "Wise up to Wise Use," sponsored by the Montana Human Rights Network. Even though I'd been a newspaper reporter, for a kid who grew up in a lunch-bucket union family in tiny Hobson, Montana, it was an eye-opening experience. For I had largely been under the impression that human rights groups met to focus on tolerance, inclusion - generally better ways for folks to get along.

The presentations were anything but tolerant. "Wise Use Connections and Collaborations with other Far Right Groups," was the focus of the morning, as explained by Daniel Berry of C.L.E.A.R. Dr. Thomas Power of the University of Montana told us over lunch of "The Economic Fallacy of Wise Use." In the

afternoon, we took in concurrent workshops ranging from "Corporate Consolidation of Hate," presented by Kevin Keenan of Public Employees for Environmental Responsibility to "How to do Research on the Wise Use and other Far Right Groups," again conducted by Mr. Berry. I was struck by the very real dislike many presenters and attendees had for farmers, ranchers, miners and loggers, not to mention the companies those people may work for - especially if those companies are large and from out of state.

That was the day I learned that I'm part of the Wise Use Movement. Frankly, until then I didn't consider myself a member. But, as I learned that day, who I am - or at least how I'm categorized - isn't really up to me.

What I didn't realize at the time was that the sponsoring organization and virtually every one of the speakers was subsidized by foundation funding.

The Montana Human Rights Network itself is heavily funded by foundations that are large and from out of state. Public Employees for Environmental Responsibility is heavily funded by foundations that are large and from out of state. Dr. Thomas Power is heavily funded by foundations that are large and from out of state.

Funding the message of hatred of the 'wise use' movement comes from a variety of sources, too numerous to mention in this testimony. Some notable examples are:

Montana Human Rights Network Funding

1998 Turner Foundation "Grant for support of work to increase understanding and action to mitigate threats against advocates and to build linkages between local human rights groups and environmentalists to focus on environmental protection."

Public Employees for Environmental Responsibility Funding

Jessie Smith Noyes Foundation, New York, grant "To organize employees of the Office of Surface Mining, and to connect them with community activists working on issues related to coal mining and the environment: \$25,000 to Public Employees for Environmental Responsibility (Washington, D.C.).

Dr. Thomas Power Funding

Dr. Power is first referenced in this testimony in this section but is also connected with numerous other areas of my testimony.

My former economics professor, whose UM salary is approximately 3 times the average Montanan's, is now chairman of the department at the University of Montana, and is always referenced by his University of Montana affiliation. To my knowledge, none of the multitude of federal agency documents that cite Dr. Power's work refer to him as affiliated with large foundations that also fund the environmental movement. Perhaps doing so would be helpful. Here is a mini-feature on one of the Brainerd Foundation's success stories:

1997-98

Center for Resource Economics

Bringing Environmental Economics to the Region

Many observers were amazed when the *Idaho Statesman*, usually a conservative newspaper, ran a series about how environmental preservation might be more important to the state's economic future than extractive industries like timber, mining, and ranching. One article even said that the state might benefit from decommissioning the dams on the Lower Snake River.

The series was already in the works when Dr. Thomas Michael Power spoke at the Boise City Club in June 1997 as part of a tour sponsored by the Brainerd Foundation. But his visit was fortunate. Power, the economics department chair at the University of Montana in Missoula, is the author of Lost Landscapes and Failed Economies: The Search for a Value of Place. In his book he argues that a healthy environment attracts employers and workers and that communities should preserve local landscapes if they want their economies to be diversified, stable, and prosperous. "The issue is not sacrificing economic health to protect some obscure bird, fish, or plant," he writes, "but rather ensuring economic health by avoiding needless damage to the natural -- and therefore human -- environment."

While in Boise, Power met with the newspaper's reporters and editorial board. Rocky Barker, one of the two reporters working on the series, was at the City Club presentation and latched on to Power's example of one Idaho community whose resource-dependent economy was deteriorating while the statewide economy improved. "Rocky used that example to good effect in the series," says Cecily Kihn, program development manager for the Center for Resource Economics (CRE). "And Tom's visit may have given the *Statesman* editorial board a lot more confidence in what it was doing."

The CRE is a Washington, D.C., nonprofit whose publishing arm, Island Press, printed Power's book in 1996. In the summer of that year, the Ford Foundation provided funds for Power to visit major markets across the West and promote his message. The Brainerd Foundation then approached the center about funding a second tour; this time Power would also visit secondary markets, and in addition to meeting with business leaders and the media, he would meet with conservationists so they could use his economic theories in their campaigns.

During the first six months of 1997, Power made four trips: to Seattle and Olympia, Washington, Portland, Corvallis, and Ashland, Oregon, Spokane, Washington, and Boise, Idaho. He met with journalists, business leaders, conservation activists, students, and policymakers, generating radio, television, and newspaper coverage along the way. "I think Tom's message got out more broadly," says Kihn. "A lot of nonprofits weren't familiar with his research. Now they better understand the economics around conservation issues."

Western States Center

The importance of the old rural West has ended and it's never coming back ...We'll give up something, sure. But discarding a myth that has deceived us for a century may be the healthiest thing this region can do. Hal Rothman, Writers on the Range, Spring 2000.

The Ford Foundation (In excess of \$500 million in grants in 1998), which sponsored one of Dr. Power's "Environmental Economics" tours, is also a funder of the Western States Center. Like Dr. Power, the Western States Center (WSC) was a major player at the "Wise Up to Wise Use" conference.

WSC offers a variety of support and services to the Progressives in the West, particularly in Washington, Idaho, Montana, Utah, Nevada, Wyoming and the Center's home state of Oregon. WSC has been particularly effective at developing databases loaded with campaign finance data that is used to accomplish

two principle goals - exclude business interests from the political arena, including ballot measures, and to make certain that conservative members of any party don't get elected.

According to the Western States Center web site, their vision "is of a just and equitable society governed by a strong, grassroots democracy." WSC says it works on three levels: strengthening Progressive grassroots organizing and community based leadership; building long term, strategic alliances among community, environmental, labor, social justice and other public interest organizations; and developing the capacity of informed communities to participate in the public policy process and in elections.

From 1996-1998, WSC invested more than \$140,000 annually into its "Wise Use Exposure Project." Publications of the Project include:

- Dangerous Territory: the Attack on Citizen Participation and the Environmental Movement
- Extremists and the Anti-environmental Lobby: Activities Since Oklahoma City
- The Wise Use Radicals: Violence Finds New Bedfellows
- Western States Coalition Summit VIII: The Anti-Environmental Lobby and Environmental Education.

Essentially, WSC and its state affiliates help provide the necessary clamor that allows our state and local governments to produce documents that label miners as overpaid, undereducated social misfits and loggers as three-time losers. The perversion of this situation is that the Western States Center, the Montana Human Rights Network and others use bigotry and stereotyping to push their environmentalist agenda.

All of this is done under the guise of tolerance.

Now, it is completely legitimate that these entities put their money where their mouth is -they are entitled to conduct their particular brand of advocacy. That's the American way, the Democratic process. But when they reach into the government and use the government as their co-conspirators in developing federal policy, and that federal policy wreaks havoc with people in communities, something is amiss. I hope it's not the American way to get your way by demonizing segments of our population.

Following is a chart which shows WSC state affiliates, its programs, and some of its funding.

WESTERN STATES CENTER CHART

Rock Creek

Historically, this country's advantage was always cheap land and cheap labor ... In this new world, trees have more value as scenery than as timber ... Montana and Wyoming don't lead and, at this stage, don't have much to teach the rest of us. They're the ones without a real city. Hal Rothman, Writers on the Range, Spring 2000.

In January of 1998, a few months before the "Wise Up to Wise Use" Conference, the Kootenai National Forest and the Montana Department of Environmental Quality issued the Supplemental Draft Environmental Impact Statement on ASARCO's Rock Creek mine project. Rock Creek, which ASARCO began permitting

more than 12 years ago and for which a Final EIS is anticipated this summer, is an underground copper-silver mine project in Northwest Montana.

Our company, Environomics, was engaged by local ASARCO officials to assist them with their community and public relations programs associated with the Supplemental Draft EIS. When I opened this official government document, I was more than disappointed. When residents of the communities around Rock Creek opened to those pages, they were stunned. They were angry. And more than a little hurt. For there, in black and white, the Kootenai National Forest's Supplemental Draft Environmental Impact Statement told them they were the type of people the world would be better off without. The following are excerpts from the Socioeconomic section.

- 1. Mine development would significantly hinder western Sanders County's capacity to diversify its economic base using its natural amenities, quality of life, and competitive cost structures to lure new comers whose jobs or work could occur in any location and retirees (Johnson and Rasker, 1993, Jobes 1992). Up to 300 future service jobs, mostly in health, educational and business services would be foregone through mine effects in the area (Heffner, 1991; Power 1992; Swanson 1992 a; Nork and Luloff 1992).*
- 2. Project Employment would be expected to raise local wage structures and to cause increased rates of job shifting during project development. These effects would increase local businesses' costs, making some businesses less competitive in national markets and would decrease the rate of local business growth and job creation. (Wenner 1992).*
- 3. Dependence on repeated natural resource cycles has caused major fluctuations in area quality of life and emphasized non-transferable job skills and reduced community self-determination.*
- 4. Economic and social dependence on resource extraction industries is widely regarded as an economic and social liability because it ties social well-being to declining economic sectors, locking residents into untransferable sets of skills (Baden and O'Brien, 1994; Humphrey, 1994). Mining dependence decreases local social and economic capacity by hindering local flexibility, capability, and diversity of social processes (Freudenberg 1992). The project would be expected to increase local labor costs, decrease average education levels, and weaken the sense of community (Swanson 1992c; Bloomquist and Killian 1998; Freudenberg 1992). Mining dependence increases community underemployment and decreases social adaptability (Krannich and Luloff 1991).*
- 5. Local residents who believe that project benefits are vital to community viability would tend to view project social problems as reasonable tradeoffs for 30 years of mining employment. Those who value small town communities, rural scenic qualities, and a sustainable diversified local economy, would tend to view project costs to be greater than its benefits.*
- 6. Alternative I [the no-mine alternative] would have long term socioeconomic benefits.*

The message was clear. According to the agencies, this region, with some of the highest unemployment in one of the nation's poorest states, is better off without a mine that would employ more than 300 people for 25 years or more. The fact that the mine would pay high wages and offer good benefits is a negative, because other businesses might have to pay more to compete. This underground mine would, simply by its existence, scare off telecommuters and retirees, which, after all, are a better type of person to have around than are miners. And despite the fact that the mine would employ everyone from accountants to lab technicians, heavy equipment operators to environmental engineers, computer experts to metallurgists, their

job skills are not transferable.

Mysteriously, the Supplemental Draft EIS virtually declared that miners' children are not as educable as other children are and those communities with mines inherently lack diversity and are socially backward. As excerpt 6 boldly states, the community is better off without the mine.

This Supplemental Draft EIS professed that miners are, as community residents mockingly began to refer to themselves, "Overpaid, Undereducated Social Misfits."

The sort of dismissive, condemning language that appeared in the Rock Creek document would have never been considered substantive for use in an EIS a few years prior. It's becoming commonplace now.

The main opposition to the Rock Creek Mine comes from a conglomeration of grant-dependent groups that have overlapping, intermingling relationships, including fiscal agency.

Brainerd Foundation, Washington

Cabinet Resource Group

1997 - \$15,000

To address environmental concerns related to the Troy Mine and proposed Rock Creek mine.

1998 - \$20,000

To challenge the permitting of the ASARCO Rock Creek copper and silver mine under the Cabinet Mountain Wilderness in northwest Montana.

Bullitt Foundation, Washington

Cabinet Resource Group

1997 - \$15,000

Support a lawsuit against Asarco at northwestern Montana's Troy mine and the expansion of the organization's public outreach campaign addressing the environmental challenges of the proposed Rock Creek Mine.

Rock Creek Alliance

1998 - \$10,000

1999 - \$10,000

Support a project to halt a proposed silver/copper mine in the Rock Creek drainage area of the Cabinet Mountains of northwestern Montana ...The Montana Environmental Information Center served as fiscal agent for Rock Creek Alliance in 1998.

Clark Fork-Pend Oreille Coalition

2000: \$15,000

1999: \$15,000

Support the organization's overall operations as it continues to challenge mining proposals that will further degrade water quality in the basin.

The Educational Foundation of America, Connecticut

Clark Fork Coalition

1997

Clark Fork Coalition, which is a member organization of the Rock Creek Alliance, \$80,000 over two years for "Rivers and Mining: The Two Don't Mix."

The Educational Foundation of America's Foundation's description of its Environment grants division says that "EFA's environmental priorities included supporting the monitoring of the utility restructuring process as it impacts the, combating the growth of the 'wise-use' movement, opposing large-scale livestock confinement, and cutting federal "polluter pork" programs through green scissors campaigns."

Turner Foundation, Georgia

Clark Fork-Pend Oreille Coalition

1998 - \$20,000

To oppose mining and help protect and restore the Clark Fork River Basin.

1997 - \$15,000

Protect water quality from hard rock mining, toxic waste, industry poisons, nutrient pollution, sedimentation, and irrigation depletion.

Center for Science in Public Participation

1998 - 20,000

Technical assistance to grassroots organizations that are focused on opposing mining.

Roadless Area Conservation Draft EIS

The rural West sure doesn't pay the bills ... And its industries, ranching, agriculture, timber, mining and the like are tossed on the scrap heap of our transfer-payment, federal, tourist-based regional economy. Hal Rothman, Writers on the Range, Spring 2000

Most recently, disparaging commentary toward the men and women who make their living in natural resource businesses has worked its way into Chapter 3 of the Roadless Area Conservation Draft EIS. This new document states:

Logging and lumber millwork are not an inter-generational way of life for all participants in the wood products industry. In 1991, median tenure of employment in the wood products industry was 5.3 years (Power 1996). Timber communities have been noted for their instability for over a century, due to the migratory nature of the industry (Kaufman & Kaufman 1990). Timber jobs migrate in response to the expansion and contraction of the industry in local areas, with boom and bust cycles caused in large part by unsustainable harvest levels (Power 1996). Even reasonably prosperous timber-dependent communities are among the least prosperous rural communities, having high seasonal unemployment, high rates of population turnover, high divorce rates, and poor housing, social services, and community infrastructures (Drielsma and others, 1990, Power 1996). Moreover, timber industry jobs are dangerous, having high injury and mortality rates. Many people enter the wood products industry because it provides opportunities to earn high wages without having a high level of education. For these people what is at stake is not a traditional lifestyle and occupational culture, but rather an accessible route to a middle-class lifestyle. If equivalent jobs were readily available, these individuals would be happy to take advantage of them.

That single paragraph has three references to the works of Dr. Thomas Power, who is mentioned in more detail above. As a former miner, it's of little consolation to me (an overpaid, undereducated social misfit), that the Forest Service now considers loggers as possessing not only those non-redeeming values, but also as being culturally ignorant trailer trash who'll do anything for a buck and a new woman.

There's a reason this sort of language is now appearing in these documents, which ostensibly are based in science and fact, not political rhetoric and dogma. It's because of all the pressure brought to bear by the environmental industry, being well organized and heavily funded by wealthy foundations to produce exactly those results.

This well-funded machine has generated (through the necessary, strategic atmosphere for excluding from normal moral and ethical consideration) a whole segment of society - rural resource providers. This atmosphere has been set with pseudo-scientific reports and non-peer reviewed studies released to the public through the media and through public agencies. This atmosphere has allowed agenda-driven personnel within both federal and state agencies to repeat the mantra of cultural smearing that we find in many management plans being implemented and being proposed throughout the United States.

ICBEMP/Northern Rockies Campaign

The truth is hard, but clear. The rural West has become a playground, a colony the rest of us visit when we want to relax or indulge our fantasies. We camp, hike, swim, boat, bike, ski, hunt, fish and ATV throughout the rural West, making our living and our lives in its increasingly stretched out and stunningly dense cities.
Hal Rothman, Writers on the Range, Spring 2000.

In May 1997, a consortium of four federal agencies released their long-awaited Environmental Impact Statement regarding the Interior Basin Ecosystem Management Project (ICBEMP). ICBEMP essentially is a one-size-fits all approach to managing (or not) an area the size of France, half of which is federal land, in the Inland Northwest.

As early as 1996, grants were sent to various - some obscure - organizations to help influence the outcome of ICBEMP. One such contribution came from the Ruth Mott Fund in Michigan and was described like this:

Upper Columbia Working Group, Helena, Montana

Support for start-up funding for the Upper Columbia River Basin Ecosystem Management Project - \$10,000

Others that year came from the David and Lucile Packard Foundation. (Nearly \$88 million of the Packard Foundation's \$412 million in 1999 grants went to "Conservation" efforts).

Wilderness Society, Seattle, Washington - \$100,000

To support continued analytical work on the forest ecosystems and economy of the Interior Columbia River Basin

National Audubon Society, New York - \$150,000

Second-year support for the Columbia River Bioregion Campaign

Here's how Audubon describes that Columbia River Bioregion Campaign:

The National Audubon Society is a member of Columbia River Bioregion Campaign (CRBC), a coalition of local, state and national environmental groups that was formed 3 years ago to try to improve the management of federal lands in the Columbia Basin. The Federal Bureau of Land Management (BLM) and the US Forest Service (USFS) are currently in the process of developing the Interior Columbia Basin Ecosystem Management Plan (ICBEMP). This Plan is intended to implement the President's Northwest Forest Plan east of the Cascades. The scientific findings which have been included in the Draft Environmental Impact Statement (DEIS) released earlier this year are excellent, but the management plan recommended by the Project has been judged inadequate by the CRBC. The major shortcoming identified by CRBC in this alternative is that it emphasizes grazing, logging, and controlled burning as primary activities to restore the Basin's forest/grassland ecosystems.

The role of the State Office in the CRBC is to recruit and coordinate the involvement of chapters in the Campaign to influence the BLM and the USFS to make improvements in the Plan so it will do a better job of improving the management of federal lands in the Columbia Basin ecosystem for the benefit of birds and other wildlife. State Office staff will also coordinate chapter responses to the DEIS for the ICBEMP. The CRBC has already asked the USFS and the BLM to either withdraw the DEIS or release a Supplement later which would provide a satisfactory alternative to protect old growth habitat, bird, fish and wildlife population viability, and community resiliency and stability.

So, did these foundations see any fruits from their contributions?

In the ICBEMP document new, unreviewed methodology was used to study the communities of the interior west and determine which communities were 'resilient' and which were not. Criteria for 'resiliency' included: strong civic leadership, positive, proactive attitude toward change and strong social cohesion. The ICBEMP document then listed community resiliency of all communities with less than 10,000 persons (population being a determining factor in resiliency) and a scale was developed that divided the communities into four equal categories of low, moderately low, moderately high and high resiliency. In other words, rather than looking at communities for what they are, this methodology pigeonholed towns into four equal parts. Moreover, the methodology was such that a community of 10,001 people automatically was more resilient than one with 9,999.

The underlying supposition of this federal document remains clear: a community that is low in 'resiliency'

lacks strong civic leadership, is not positive and proactive toward change and does not possess strong social cohesion. Again the underlying message was clear: Because yours is a resource-dependent community, its social structure is ill and needs to be dismantled and then rebuilt, largely by outsiders who know better than you. It's going to be painful for you, but it's in the public interest.

While several grant-dependant organizations became heavily involved in the politics of ICBEMP, it was the Northern Rockies Campaign run by Desktop Assistance had the most impact. Here's Desktop's description of its program:

During the summer of 1997, the Northern Rockies Campaign (NRC), with primary support provided by the Pew Charitable Trusts, initiated an aggressive strategy to influence the outcome of the Interior Columbia Basin Ecosystem Management Project (ICBEMP), an inter-agency federal process that would dictate management of 1/4 of all public lands in the United States for the next several decades.

[U]sing a variety of innovative and creative public outreach strategies, including canvassing campgrounds in Yellowstone and Glacier National Parks as well as eliciting Working Assets Long Distance (WALD) to include a "Help Protect The Big Wild" appeal in one of its monthly statements, in just 8 months NRC collected 73,000 public comments in favor of protecting wild places in the Northern Rockies.

[W]hen the Clinton Administration announced on January 22, 1998 its directive to the Forest Service to institute a temporary moratorium on road building in most national forest roadless areas, the Northern Rockies Campaign took it as a sign that our efforts the previous eight months bore fruit.

[N]RC public comment campaign proved decisive in the new policy - the Administration heard us and set almost all roadless areas in Idaho, Montana and Wyoming temporarily off limits to Forest Service development. We wanted to thank the Administration for their action and to press for permanent protection of the "last best place."

Desktop Assistance, a founding member of NRC, initiated an email campaign to re-engage citizens who had submitted public comments to ICBEMP. On January 27, at the opening of the 30-day public comment period, we sent email to 6,957 people asking them to do two things: thank the Administration for its policy and submit an official public comment on the policy.

Desktop, which relies heavily on the William and Flora Hewlett Foundation (\$8.4 million in Environmental grants in 1999), wasn't the only organization to get substantial money from Pew early on for this effort. (More than \$53 million of Pew's \$250 million in grants in 1999 went to environmental and public policy) A 1996 Pew grant to the Greater Yellowstone Coalition said this:

Greater Yellowstone Coalition - \$300,000

With its renewed funding, the Northern Rockies Campaign (NRC) will seek to protect key old-growth forest tracts in the Northern Rockies through a comprehensive land management planning process currently being developed by the Forest Service and the Bureau of Land Management.

CLOSING

I'm not an anti-government right-winger. I was raised a lunch-bucket Democrat and believe strongly in my country and my government. Yet I find it extremely disconcerting when nonprofit organizations and federal

land agencies are stating loudly that most people carrying lunch buckets are over-paid, under-educated social misfits.

It's unfortunate that certain foundation funding of environmental groups makes it possible for the government to use this type of language, and to use these types of programs to destroy rural America.

Incidentally, Writers on the Range, which sponsored Mr. Rothman's italicized comments on the New West, is funded by the Needmor Fund and the Charles Stewart Mott Foundation.

Thank you for considering my testimony.

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